

		FOR OHF USE					

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2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH Facility ID Number: <u>0023945</u></p> <p>Facility Name: <u>ALDEN HEATHER REHAB & HCC</u></p> <p>Address: <u>15600 SOUTH HONORE STREET</u> <u>HARVEY</u> <u>60426</u> Number City Zip Code</p> <p>County: _____</p> <p>Telephone Number: <u>(708) 333-9550</u> Fax # <u>(708) 333-9554</u></p> <p>IDPA ID Number: <u>36-2949011</u></p> <p>Date of Initial License for Current Owners: <u>06/01/81</u></p> <p>Type of Ownership:</p> <table><tr><td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td><td><input checked="" type="checkbox"/> PROPRIETARY</td><td><input type="checkbox"/> GOVERNMENTAL</td></tr><tr><td><input type="checkbox"/> Charitable Corp.</td><td><input type="checkbox"/> Individual</td><td><input type="checkbox"/> State</td></tr><tr><td><input type="checkbox"/> Trust</td><td><input type="checkbox"/> Partnership</td><td><input type="checkbox"/> County</td></tr><tr><td>IRS Exemption Code _____</td><td><input checked="" type="checkbox"/> Corporation</td><td><input type="checkbox"/> Other _____</td></tr><tr><td></td><td><input type="checkbox"/> "Sub-S" Corp.</td><td></td></tr><tr><td></td><td><input type="checkbox"/> Limited Liability Co.</td><td></td></tr><tr><td></td><td><input type="checkbox"/> Trust</td><td></td></tr><tr><td></td><td><input type="checkbox"/> Other _____</td><td></td></tr></table> <p>In the event there are further questions about this report, please contact: Name: <u>STEVEN M. KROLL</u> Telephone Number: <u>(773) 286-3883</u></p>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code _____	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input type="checkbox"/> "Sub-S" Corp.			<input type="checkbox"/> Limited Liability Co.			<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/2004</u> to <u>12/31/2004</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table><tr><td rowspan="2">Officer or Administrator of Provider</td><td>(Signed) _____</td></tr><tr><td>(Date) _____</td></tr><tr><td rowspan="6">Paid Preparer</td><td>(Type or Print Name) <u>STEVEN M. KROLL</u></td></tr><tr><td>(Title) <u>CHIEF FINANCIAL OFFICER</u></td></tr><tr><td>(Signed) _____</td></tr><tr><td>(Date) _____</td></tr><tr><td>(Print Name and Title) _____</td></tr><tr><td>(Firm Name & Address) _____</td></tr><tr><td></td><td>(Telephone) <u>()</u> Fax # <u>()</u></td></tr><tr><td colspan="2"><p>MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630</p></td></tr></table>	Officer or Administrator of Provider	(Signed) _____	(Date) _____	Paid Preparer	(Type or Print Name) <u>STEVEN M. KROLL</u>	(Title) <u>CHIEF FINANCIAL OFFICER</u>	(Signed) _____	(Date) _____	(Print Name and Title) _____	(Firm Name & Address) _____		(Telephone) <u>()</u> Fax # <u>()</u>	<p>MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630</p>	
<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL																																					
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Facility Name & ID Number ALDEN HEATHER REHAB & HCC

0023945 Report Period Beginning: 01/01/2004 Ending: 12/31/2004

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	172	Skilled (SNF)	172	62,952	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	172	TOTALS	172	62,952	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	7,995	449	3,183	11,627	8
9	SNF/PED					9
10	ICF	19,406	209		19,615	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	27,401	658	3,183	31,242	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 49.63%

D. How many bed-hold days during this year were paid by Public Aid?

N/A (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)

N/A

F. Does the facility maintain a daily midnight census? YES

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?

YES ☐ NO ☒

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐ NO ☒

I. On what date did you start providing long term care at this location?

Date started 4/1/78

J. Was the facility purchased or leased after January 1, 1978?

YES ☐ Date _____ NO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒ NO ☐ If YES, enter number of beds certified 89 and days of care provided 2,394

Medicare Intermediary ADMINISTAR FEDERAL

IV. ACCOUNTING BASIS

ACCRAUAL ☒ MODIFIED CASH* ☐ CASH* ☐

Is your fiscal year identical to your tax year? YES ☒ NO ☐

Tax Year: 12/31/04 Fiscal Year: 12/31/04

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number **ALDEN HEATHER REHAB & HCC** # **0023945** Report Period Beginning: **01/01/2004** Ending: **12/31/2004**
V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	172,680	19,524	6,200	198,404	847	199,251		199,251			1
2	Food Purchase		184,979		184,979	(22,555)	162,424	(22,802)	139,622			2
3	Housekeeping	112,617	21,506		134,123	798	134,921		134,921			3
4	Laundry	50,650	10,902		61,552	223	61,775		61,775			4
5	Heat and Other Utilities			100,730	100,730		100,730	(1,900)	98,830			5
6	Maintenance	41,602		89,123	130,725	93	130,818	4,654	135,472			6
7	Other (specify):* Related party salary							23,105	23,105			7
8	TOTAL General Services	377,549	236,911	196,053	810,513	(20,594)	789,919	3,057	792,976			8
	B. Health Care and Programs											
9	Medical Director			8,200	8,200		8,200		8,200			9
10	Nursing and Medical Records	1,238,439	72,977	28,663	1,340,079	4,879	1,344,958	(59,509)	1,285,449			10
10a	Therapy	59,710	11		59,721		59,721		59,721			10a
11	Activities	42,577	3,164	5,355	51,096		51,096		51,096			11
12	Social Services											12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):* Related party salary							17,278	17,278			15
16	TOTAL Health Care and Programs	1,340,726	76,152	42,218	1,459,096	4,879	1,463,975	(42,231)	1,421,744			16
	C. General Administration											
17	Administrative	61,393		42,149	103,542		103,542		103,542			17
18	Directors Fees											18
19	Professional Services			523,634	523,634		523,634	(496,132)	27,502			19
20	Dues, Fees, Subscriptions & Promotions			43,948	43,948		43,948	(33,759)	10,189			20
21	Clerical & General Office Expenses	119,662	10,261	30,962	160,885	296	161,181	4,286	165,467			21
22	Employee Benefits & Payroll Taxes			318,584	318,584	15,419	334,003	(5,378)	328,625			22
23	Inservice Training & Education											23
24	Travel and Seminar			417	417		417	7,461	7,878			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			158,082	158,082		158,082	165	158,247			26
27	Other (specify):* Related party salary			113,014	113,014		113,014	95,691	208,705			27
28	TOTAL General Administration	181,055	10,261	1,230,790	1,422,106	15,715	1,437,821	(427,666)	1,010,155			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,899,330	323,324	1,469,061	3,691,715		3,691,715	(466,840)	3,224,875			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			58,436	58,436		58,436	93,608	152,044			30
31	Amortization of Pre-Op. & Org.							989	989			31
32	Interest			190,202	190,202		190,202	(10,120)	180,082			32
33	Real Estate Taxes			338,506	338,506		338,506	4,286	342,792			33
34	Rent-Facility & Grounds			519,756	519,756		519,756	(519,756)				34
35	Rent-Equipment & Vehicles			4,318	4,318		4,318	12,523	16,841			35
36	Other (specify):* Mort. Ins. Prem.							8,944	8,944			36
37	TOTAL Ownership			1,111,218	1,111,218		1,111,218	(409,526)	701,692			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		205,023	215,152	420,175		420,175	(58,216)	361,959			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops		119		119		119	(119)				41
42	Provider Participation Fee			94,977	94,977		94,977		94,977			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		205,142	310,129	515,271		515,271	(58,335)	456,936			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,899,330	528,466	2,890,408	5,318,204		5,318,204	(934,701)	4,383,503			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.
In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	83,095	30		9
10	Interest and Other Investment Income	(2)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(453)	2		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(4,963)	21		17
18	Fines and Penalties	(25)	32		18
19	Entertainment	(2,210)	20		19
20	Contributions	(1,690)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(18,592)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(113,014)	27		24
25	Fund Raising, Advertising and Promotional	(26,978)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising	(212)	20		28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (85,044)		\$	30

OHF USE ONLY							
48		49		50		51	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(250,632)	various	34
35	Other- Attach Schedule	(623,359)	pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (873,991)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (959,035)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification.
(See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		X	\$		38
39			X			39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44	Exceptional Care Program		X			44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

	ID#	0023945
Report Period Beginning:		01/01/2004
Ending:		12/31/2004

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1		\$		1
2	Late fees on utilities	(3,612)	5	2
3				3
4	Gift shop expenses (GL6944)	(119)	41	4
5				5
6	Mortgage Insurance	8,944	36	6
7	Mortgage Interest	150,200	32	7
8	Intercompany interest (GL7031)	(189,298)	32	8
9				9
10	Misc Income (GL4977)	(4,945)	21	10
11	A/P adj/Gain on asset sale (GL4984&4985)			11
12	Marketing Manager (GL6701-100-009)	(32,063)	21	12
13	Back out % of Employee benefits for Mktg Mgr	(5,378)	22	13
14	Back out 31.78% of PAC fees from standard IHCA bills	(2,969)	20	14
15	Other - Back out Rent due to sale/leaseback (GL7001)	(519,756)	34	15
16				16
17				17
18	depreciation adjustment	(29)	30	18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(599,025)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number ALDEN HEATHER REHAB & HCC # 0023945 Report Period Beginning: 01/01/2004 Ending: 12/31/2004

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(453)	0	0	(22,349)	0	0	0	0	0	0	0	(22,802)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(3,612)	0	1,712	0	0	0	0	0	0	0	0	(1,900)	5
6	Maintenance	0	0	5,114	0	0	0	(27)	(433)	0	0	0	4,654	6
7	Other (specify):*	0	0	23,105	0	0	0	0	0	0	0	0	23,105	7
8	TOTAL General Services	(4,065)	0	29,931	(22,349)	0	0	(27)	(433)	0	0	0	3,057	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	(54,451)	(5,058)	0	0	0	0	0	0	(59,509)	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	17,278	0	0	0	0	0	0	0	0	17,278	15
16	TOTAL Health Care and Programs	0	0	17,278	(54,451)	(5,058)	0	0	0	0	0	0	(42,231)	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(18,592)	0	(477,540)	0	0	0	0	0	0	0	0	(496,132)	19
20	Fees, Subscriptions & Promotions	(34,059)	0	300	0	0	0	0	0	0	0	0	(33,759)	20
21	Clerical & General Office Expenses	(41,971)	0	19,386	24,164	2,707	0	0	0	0	0	0	4,286	21
22	Employee Benefits & Payroll Taxes	(5,378)	0	0	0	0	0	0	0	0	0	0	(5,378)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	7,461	0	0	0	0	0	0	0	0	7,461	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	165	0	0	0	0	0	0	0	0	165	26
27	Other (specify):*	(113,014)	0	198,842	5,668	4,195	0	0	0	0	0	0	95,691	27
28	TOTAL General Administration	(213,014)	0	(251,386)	29,832	6,902	0	0	0	0	0	0	(427,666)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(217,079)	0	(204,177)	(46,968)	1,844	0	(27)	(433)	0	0	0	(466,840)	29

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
(to Sch V, col.7)														
30	Depreciation	83,066	0	9,144	0	1,398	0	0	0	0	0	0	93,608	30
31	Amortization of Pre-Op. & Org.	0	0	989	0	0	0	0	0	0	0	0	989	31
32	Interest	(39,125)	0	28,061	0	194	750	0	0	0	0	0	(10,120)	32
33	Real Estate Taxes	0	0	4,102	0	184	0	0	0	0	0	0	4,286	33
34	Rent-Facility & Grounds	(519,756)	0	0	0	0	0	0	0	0	0	0	(519,756)	34
35	Rent-Equipment & Vehicles	0	0	12,523	0	0	0	0	0	0	0	0	12,523	35
36	Other (specify):*	8,944	0	0	0	0	0	0	0	0	0	0	8,944	36
37	TOTAL Ownership	(466,871)	0	54,819	0	1,776	750	0	0	0	0	0	(409,526)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(10,356)	(14,028)	(33,832)	0	0	0	0	0	(58,216)	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	(119)	0	0	0	0	0	0	0	0	0	0	(119)	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	(119)	0	0	(10,356)	(14,028)	(33,832)	0	0	0	0	0	(58,335)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(684,069)	0	(149,358)	(57,324)	(10,408)	(33,082)	(27)	(433)	0	0	0	(934,701)	45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
The Alden Group Limited	100	SEE PG. 6K		SEE PG. 6K		

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V			\$			\$	\$	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$			\$	\$ *	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	19	Professional fees	\$ 483,600	Alden Management Services	0.00%	\$ 6,060	\$ (477,540)	15
16	V	21	Clerical and G & A		Alden Management Services		19,386	19,386	16
17	V	5	Utilities		Alden Management Services		1,712	1,712	17
18	V	6	Maintenance		Alden Management Services		5,114	5,114	18
19	V	24	Travel & seminar		Alden Management Services		7,461	7,461	19
20	V	26	Insurance		Alden Management Services		165	165	20
21	V	20	Dues/subscriptions/fees etc		Alden Management Services		300	300	21
22	V	30	Depreciation		Alden Management Services		9,144	9,144	22
23	V	31	Amortization		Alden Management Services		989	989	23
24	V	33	Real estate taxes		Alden Management Services		4,102	4,102	24
25	V	35	Rent-equipment/vehicles		Alden Management Services		12,523	12,523	25
26	V	32	Interest		Alden Management Services		28,061	28,061	26
27	V	7	Salaries-general serv		Alden Management Services		23,105	23,105	27
28	V	15	Salaries-health care		Alden Management Services		17,278	17,278	28
29	V	27	Salaries-general admin		Alden Management Services		198,842	198,842	29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 483,600			\$ 334,242	\$ * (149,358)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	2	Tube feeding	\$ 34,520	Pyramid Health Care		\$ 12,171	\$ (22,349)	15
16	V	10	Nursing supply	56,285	Pyramid Health Care		1,834	(54,451)	16
17	V	39	Per diems/other supplies	23,536	Pyramid Health Care		13,180	(10,356)	17
18	V	21	General & admin.		Pyramid Health Care		24,164	24,164	18
19	V	27	General & admin.		Pyramid Health Care		5,668	5,668	19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 114,341			\$ 57,017	\$ * (57,324)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	39	drugs	\$ 57,640	Forum Extended Care II		\$ 49,717	\$ (7,923)	15
16	V	10	house stock	1,299	Forum Extended Care II		1,120	(179)	16
17	V	39	I.V.	44,410	Forum Extended Care II		38,305	(6,105)	17
18	V				Forum Extended Care II				18
19	V	21	gen'l & admin		Forum Extended Care II		2,707	2,707	19
20	V	32	interest		Forum Extended Care II		194	194	20
21	V	33	real estate tax		Forum Extended Care II		184	184	21
22	V	30	depreciation		Forum Extended Care II		1,398	1,398	22
23	V	27	General & Admin.		Forum Extended Care II		4,195	4,195	23
24	V	10	pharmacy consulting	4,879	Forum Extended Care II			(4,879)	24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 108,228			\$ 97,820	\$ * (10,408)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ X

 YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	39	Therapy	\$ 203,464	Community Physical Therapy	100.00%	\$ 169,632	\$ (33,832)	15
16	V	32	Interest		Community Physical Therapy		750	750	16
17	V				Community Physical Therapy				17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 203,464			\$ 170,382	\$ * (33,082)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	6	Repairs and Maintenance	\$ 18,695	Alden Bennet Construction		\$ 18,668	\$ (27)	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 18,695			\$ 18,668	\$ * (27)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ X

 YES

☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	6	Carpet cleaning	\$ 100	Alden Realty - Carpet care		\$ 89	\$ (11)	15
16	V	6	Floor cleaning	4,330	Alden Realty - Floor care		3,908	(422)	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 4,430			\$ 3,997	\$ * (433)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number ALDEN NURSING CENTER - HEATHER # 002-3945 Report Period Beginning 01/01/04 Ending: 12/31/04

RELATED NURSING HOMES	
Name	City
Note: ANC = Alden Nursing Center	
ANC Lakeland	Chicago
ANC Long Grove	Long Grove
ANC Waterford	Aurora
ANC Lincoln Park	Chicago
ANC Northmoor	Chicago
ANC Town Manor	Chicago
ANC Terrace of McHenry	McHenry
ANC Morrow	Chicago
ANC Wentworth	Chicago
ANC Naperville	Naperville
ANC Valley Ridge	Bloomingtondale
ANC Village for Children & Young Adults	Bloomingtondale
ANC Orland Park	Orland Park
ANC Princeton	Chicago
Alden of Old Town East	Bloomingtondale
Alden of Old Town West	Bloomingtondale
Alden Trails	Bloomingtondale
Alden Northshore	Skokie
ANC Des Plaines	Des Plaines
ANC Des Plaines II	Des Plaines
ANC Alma Nelson	Rockford
ANC Park Stratmoor	Rockford
ANC Meadow Park	Clinton, WI
ANC Poplar Creek	Hoffman Estates
ANC Governor's Park of Barrington	Barrington
ANC Gardens of Rockford	Rockford

OTHER RELATED BUSINESS ENTITIES		
Name	City	Type of Business
The Forum Prof. Center	Chicago	Office rental
Pyramid Health Care	Chicago	Nursing supplies
Forum Extended Care II	Chicago	Pharmacy
Alden Management	Chicago	Management
Alden Estates of Evanston	Evanston	Assisted living
Community Physical Therapy	Wood Dale	Therapy provider
Courts of Waterford	Aurora	Alzheimers unit
Gardens of Waterford	Aurora	Assisted living

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd Schlossberg a.	President	Chief Executive	100.00	221,526	1.096	2.74	salary	\$ 6,238	27-7	1
2	Lauren Magnusson b.	Nurse coordinator	Nursing Admin.	0.00	71,535	1.096	2.74	salary	2,014	15-7	2
3	Terry Magnusson c.	Maint. Supervisor	Construct/maint	0.00	48,631	1.096	2.74	salary	1,369	7-7	3
4											4
5											5
6											6
7	a. Floyd Schlossberg is the President and sole stockholder of The Alden Group Ltd.										7
8	b. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the nurse coordinator.										8
9	c. Terry Magnusson is the son-in-law of floyd Schlossberg. Terry is in maintenance and construction.										9
10											10
11											11
12											12
13								TOTAL	\$ 9,621		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Ending: 2/31/2004

(773) 286-3743

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1		SEE PG. 8A (ALSO ON PG. 6A)			\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related Long-Term												
1	Proforma allocation of						\$	\$			\$	1	
2	mortg. Interest due to											2	
3	sale / leaseback		X	mortgage construction	\$17,353.57	6/1/80	2,430,000	1,788,770	12/31/2019	8.2500	150,200	3	
4												4	
5												5	
	Working Capital												
6	Related Party - AMS & T Syst	X		Working Capital							28,940	6	
7	Related Party - FECII	X		Working Capital							194	7	
8	Realted Party - CPT	X		Working Capital							750	8	
9	TOTAL Facility Related				\$17,353.57		\$ 2,430,000	\$ 1,788,770			\$ 180,084	9	
	B. Non-Facility Related*												
10	Interest Income on Corp										(2)	10	
11												11	
12												12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ (2)	14	
15	TOTALS (line 9+line14)						\$ 2,430,000	\$ 1,788,770			\$ 180,082	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V.

\$ 8,944

Line # 36

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.			
1. Real Estate Tax accrual used on 2003 report.				\$	44,500 1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)				\$	349,006 2
3. Under or (over) accrual (line 2 minus line 1).				\$	304,506 3
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	34,000 4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)				\$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund.					
TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)				\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	338,506 7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:		1999	366,150	8	
		2000	405,265	9	
		2001	465,182	10	
		2002	442,410	11	
		2003	349,006	12	
Year end accrual is based on 103% of 2003 paid bills less \$326,000 expected refunds due for prior years.				13	FROM R. E. TAX STATEMENT FOR 2003 \$ 13
				14	PLUS APPEAL COST FROM LINE 5 \$ 14
				15	LESS REFUND FROM LINE 6 \$ 15
				16	AMOUNT TO USE FOR RATE CALCULATION \$ 16

- NOTES:
1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.

2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME ALDEN HEATHER REHAB & HCC COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023945

CONTACT PERSON REGARDING THIS REPORT STEVEN M. KROLL

TELEPHONE (773) 286-3883 FAX #: (773) 286-3743

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2003.

(A)	(B)	(C)	(D)
Tax Index Number	Property Description	Total Tax	Tax Applicable to Nursing Home
1. 29-18-410-063-0000	nursing home	\$ 348,337.85	\$ 348,337.85
2. 29-18-410-054-0000	nursing home	\$ 668.06	\$ 668.06
3.	Related Party - Alden Management	\$ 149,765.00	\$ 4,102.00
4.	Related Party - Forum	\$ 13,827.00	\$ 184.00
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$ 512,597.91	\$ 353,291.91

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 2003 tax bill which is normally paid during 2004.

PIN: 29-18-410-063-0000

Current Name & Mailing Address Information

Name: OMEGA HEALTHCARE INC
Street Address: 9690 DEERECO RD 100
City: TIMONIUM
State: MD
Zip Code: 21093-0000

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 48,971

B. General Construction Type: Exterior BRICK/CONCRETE Frame STEEL Number of Stories 1

C. Does the Operating Entity? ☐ (a) Own the Facility ☐ (b) Rent from a Related Organization. ☒ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? ☐ (a) Own the Equipment ☐ (b) Rent equipment from a Related Organization. ☒ (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO

If so, please complete the following:

1. Total Amount Incurred:

2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization:

4. Dates Incurred:

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	<u>PATIENT CARE</u>	<u>62,115</u>	<u>1978</u>	<u>\$ 90,580</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	62,115		\$ 90,580	3

Facility Name & ID Number ALDEN HEATHER REHAB & HCC

0023945

Report Period Beginning:

01/01/2004

Ending:

12/31/2004

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

	1	FOR OHF USE ONLY	2	3	4	5	6	7	8	9	
	Beds*		Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	49		1978	1975	\$ 496,626	\$	27	\$ 18,394	\$ 18,394	\$ 473,903	4
5	123		1980	1980	1,789,311		30	59,644	59,644	1,502,842	5
6	addition		1979	1979	38,500		30	1,283	1,283	31,657	6
7											7
8	related party- forum			1978	16,213		22			16,213	8
	Improvement Type**										
9	LAND IMPROVEMENT/ROFFING/HVAC			1980	168,496		10-27	3,279	3,279	158,470	9
10	PAVING/PAINTING/DRAINAGE TILE			1981	13,153		10-30	495	495	12,222	10
11	ROOFING			1983	3,100		12			3,100	11
12	DOOR WINDOW/BEARING ASSEMBLE/WATER PUMP			1984	15,805		5			15,805	12
13	ROOFING/HEAT EXCHANGE/MOTOR/BASEBOARD			1985	17,603		8-10			17,603	13
14	ROOF REPAIR/SEAL PARKING LOT/HEAT EXCHANGE			1986	40,170		2-10			40,170	14
15	COMPRESSOR REPR/INSTLL FLOW/SWTCH/REWIRE ALARM			1988	15,385		5 & 10			15,385	15
16	REPL HEAT EXCHANGE/ROOFTOP EXHST/RE-BRICK WALL			1991	22,663	486	5-25	486		19,077	16
17	HOT WATER TANK/SEWER REPAIR			1992	15,092	533	5 & 15	533		13,866	17
18	SEWAGE EJECTOR/VALVE/MOTOR			1993	12,871		5&10			12,871	18
19	ROOF REPAIR/BOILER/PUMP REPAAIR/ALARM REPAIR			1994	32,136		3			32,136	19
20	ALARM REPAIR/LOCK SET & KEYS/FLOOR REPAIR			1995	43,408	1,651	3-20	1,651		39,142	20
21	TILE INSTALLED & REPAIR CORRIDOR			1996	1,558	156	10	156		1,376	21
22	REMOVED & REPLACED NEW MOTOR			1996	3,292	329	10	329		2,908	22
23	REMOVED & INSTALLED NEW MOTOR			1996	1,714	171	10	171		1,514	23
24	ELECTRICAL REPAIR			1996	3,127	156	20	156		1,355	24
25	WINDOW REPAIR			1996	6,466	323	20	323		2,775	25
26	VALVE REPAIR			1996	1,523	102	15	102		872	26
27	BOILER LEAKING			1996	6,876	458	15	458		3,782	27
28	WINDOW REPAIR			1996	2,713	136	20	136		1,097	28
29	WINDOW REPAIR			1993	7,441		5			7,441	29
30	WINDOW REPAIR			1994	13,715		5			13,715	30
31	FLOOR TILE & BASE			1995	788	39	20	39		338	31
32	INSTALL ASPHALT			1996	16,215	1,622	10	1,622		12,026	32
33	INSTALL DOOR FRAME			1997	2,517	251	10	251		1,678	33
34	INSTALL VENT PIPE FOR DRYER			1997	6,180		5			6,180	34
35	INSTALL TILE			1997	1,706		5			1,706	35
36											36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

XI. OWNERSHIP COSTS (continued)
B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	REPLACE BOILER ROOM- TOP A/C	1997	\$ 6,000	\$	5	\$	\$	\$ 6,000	37
38	INSTALL GAS PIPE	1997	4,220		5			4,220	38
39	INSTALL NEW VALVE AND RECOPPER	1998	1,864		5			1,864	39
40	PIPING	1998	7,104		25			7,104	40
41	ROOF REPAIR	1998	2,920	292	10	292		1,995	41
42	REPAIR & CHECK VOLTAGE OUTPUT	1998	1,780		5			1,780	42
43	REPLACED VALVE - HOT WATER	1998	3,270		5			3,270	43
44	REMODELED & DECORATED ROOMS	1998	28,760	1,917	15	1,917		12,782	44
45	WHIRLPOOL TURBINE	1998	1,599		5			1,599	45
46	REPLACE EXHAUST FAN	1998	1,950	130	15	130		867	46
47	FIX FLOOR TILE	1998	3,626	363	10	363		2,448	47
48	INSTALL DOOR MONITORING SYSTEM	1998	1,587	159	10	159		1,018	48
49	INSTALL SECURITRON ANNUNCIATOR	1998	1,764	176	10	176		1,132	49
50	REPLACE BOILER ON STEAMER	1998	4,283	428	10	428		2,819	50
51	INSTALL RESET CONTROL ON BOILER	1998	3,900	195	20	195		1,251	51
52	WRAP CHILLER PIPES	1998	2,682	134	20	134		827	52
53	REPLACE PUMP MOTOR	1998	4,425	295	15	295		1,819	53
54	PAINT	1998	7,845	392	5	392		1,745	54
55	CLIMATE SERICE (CLEANED BOILER, VALVE)	1999	1,374	69	20	69		412	55
56	CLIMATE SERVICE (REPLACE MISING VALVE	1999	3,317	221	15	221		1,327	56
57	CLIMATE SERVICE (INSTALLLL HOT WATER HEATER)	1999	7,391	493	15	493		2,915	57
58	CLIMATE SERVICE (INSTALL ROOF TOP REPLACEMENT)	1999	9,935	994	10	994		5,878	58
59	CLIMATE SERVICE (REPAIR HEATING UNIT)	1999	1,643	110	15	110		249	59
60	ENVIRON VISION ENVIRONMENT	1999	2,919	292	10	292		1,727	60
61	CHICAGO COOLING CORP (SHUTDOWN BOILER & AC	1999	2,117	212	10	212		1,182	61
62	ABC CARPENTRY	1999	2,031	203	10	203		1,134	62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 2,936,669	\$ 13,488		\$ 96,583	\$ 83,095	\$ 2,532,589	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN HEATHER REHAB & HCC

0023945

Report Period Beginning:

01/01/2004 Ending: 12/31/2004

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 2,936,669	\$ 13,488		\$ 96,583	\$ 83,095	\$ 2,532,589	1
2	ABC WINDOW SCREENS	1999	3,916	392	10	392		2,187	2
3	ABC INSULATION	1999	3,203	214	10	214		214	3
4	CLIMATE SERVICE, INC. (INSTALL CONDENSER)	1999	4,565	304	15	304		1,674	4
5	WIGDAHL ELECTRIC (RECEPTACLES INSTALLED)	1999	5,457	273	20	273		1,501	5
6	CLIMATE SERVICE, INC. (REPLACE MOTOR ON FAN)	1999	2,772	277	10	277		1,525	6
7	CLIMATED SERVICE, INC. - REPLACE FAN MOTOR	1999	1,693	169	10	169		931	7
8	ADVANCED PARTS -GARBAGE DISPOSAL	1999	6,515	1,303	5	1,303		7,058	8
9	THE FLOOR SOURCE -INSTALL CARPET	1999	2,469	494	5	494		2,592	9
10	FOX VALLEY FIRE & SAFETY-DOOR ALARM SYSTEM	1999	2,540	169	15	169		875	10
11	CLIMATE SERVICE, INC.-BOILER	1999	8,437	422	20	422		2,144	11
12	ABC - GENERAL	1999	4,099	410	10	410		2,084	12
13									13
14	ABC ROOF	1999	2,501	250	10	250		1,271	14
15	ABC HARDWARE	1999	1,793	179	10	179		911	15
16	CLIMATE SERVICE, INC. REPAIR BURNER	1999	1,615	162	10	162		821	16
17	FOX VALLEY FIRE & SAFETY -SMOKE DETECTORS	1999	7,500	750	10	750		3,750	17
18	DELETE ABOVE ITEM	2000	(7,500)	(750)	10	(750)		(3,750)	18
19	ABC-BUILDING CONSTRUCTION/VARIOUS	2000	3,244	324	10	324		1,135	19
20	FOX VALLEY -SMOKE DETECTORS	2000	7,500	750	10	750		3,750	20
21	FOX VALLEY-DOOR ALARMS	2000	1,931	193	10	193		966	21
22	LONG ELEVATOR-ATTACHMENTS	2000	1,751	88	20	88		438	22
23	CLIMATE SERVICES-BOILER ROOM	2000	4,422	221	20	221		1,087	23
24	CI-SERVICE DRAPES/RODS	2000	9,460	1,892	5	1,892		8,830	24
25	ADJUST 1999 TOTAL TO CORRECT AMOUNTS	2000	10	1	10	1		5	25
26	ABC-BUILDING MAINT CONSTRUCT-VARIOUS	2000	19,015	1,901	10	1,901		8,557	26
27	NEW HORIZONS-TELEPHONE SYSTEM	2000	1,670	167	10	167		765	27
28	ABC-SEAL & STRIPE PARK. LOT	2000	4,154	415	10	415		1,731	28
29	CSI CORKER SERVICE	2001	4,773	239	20	239		835	29
30	ABC-TIME & MATERIAL BILLING (JULY 2001)	2001	6,028	603	10	603		2,009	30
31	ABC-TIME & MATERIAL BILLING (OCT 2001)	2001	7,272	727	10	727		2,242	31
32	CAPPS PLUMBING	2001	12,236	1,223	10	1,223		3,972	32
33	GT MECHANICAL - WATER HEATER	2001	4,559	304	15	304		988	33
34	TOTAL (lines 1 thru 33)		\$ 3,076,269	\$ 27,554		\$ 110,649	\$ 83,095	\$ 2,595,687	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	10
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 3,076,269	\$ 27,554		\$ 110,649	\$ 83,095	\$ 2,595,687	1
2	Retile Basement Corridor 1	2002	3,650	365	10	365		973	2
3	Retile Basement Corridor 2	2002	3,650	365	10	365		912	3
4	Replace 4 Windows	2002	782	78	10	78		196	4
5	Replace 10 Windows	2002	2,204	220	10	220		661	5
6	Repiping 15' 2" galv pipe	2002	1,165	47	25	47		124	6
7	Replace RPZ Valve main Boiler Room	2002	545	36	15	36		103	7
8	Replace RPZ Valves 1 small Boiler Room	2002	1,865	124	15	124		352	8
9	Replace 3 oudside valves	2002	1,165	78	15	78		188	9
10	ABC - Replace doors	2002	4,103	410	10	410		855	10
11	Security Services - Keypad entry system	2002	1,575	105	15	105		219	11
12	Security Services - Door Alarm System	2002	2,035	136	15	136		283	12
13	CAPPS Replace Drain Line	2002	2,965	148	20	148		420	13
14	GT Mechanical - replace chiller condensor motor	2002	2,876	192	15	192		463	14
15	GT Mechanical - Replace Bearing assem. Big Boiler	2002	1,357	90	15	90		264	15
16	GT Mechanical - Hot water circ pump lg. Boiler room	2002	698	47	15	47		140	16
17	CSI - Replace valves, steamer & timer on ovens	2002	1,761	117	15	117		352	17
18	Healthcare Products - Repair wheelchairs	2002	2,282	761	3	761		1,171	18
19	CAPPS - Repair Sprinkler System	2002	1,165	78	15	78		188	19
20	GT Mechanical - Repair Heater	2002	1,658	111	15	111		249	20
21	A&B Custom Cabel install 21 cable outlets	2003	1,731	173	10	173		317	21
22	ABC - New floor in PT Room	2003	3,896	390	10	390		682	22
23	A&B Custom Cabel install 27 cable outlets	2003	2,318	232	10	232		367	23
24	A&B Custom Cabel install 97 cable outlets	2003	6,969	697	10	697		1,103	24
25	Security Service - Door alarm service	2003	2,284	152	15	152		228	25
26	Capps - Repair 1st floor drains	2003	1,553	155	10	155		298	26
27	GT Mech- Repair water pump	2003	1,674	335	5	335		670	27
28	CSI - Repair Dishwasher	2003	1,953	391	5	391		618	28
29	Capps - Repair Sewer	2003	3,755	250	15	250		396	29
30	New Horizons Comm - Repair Phone system	2003	1,908	1,908	5	1,908		604	30
31	Capps - New Laundry Tub 1of2	2003	1,800	180	10	180		270	31
32	Capps - New Laundry Tub 2of2	2003	2,214	221	10	221		332	32
33	New Horizons Comm - Repair Phone system	2003	2,897	579	5	579		869	33
34	TOTAL (lines 1 thru 33)		\$ 3,148,722	\$ 36,725		\$ 119,820	\$ 83,095	\$ 2,610,554	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)
 B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 3,148,722	\$ 36,725		\$ 119,820	\$ 83,095	\$ 2,610,554	1
2	ABC - Repair Roof	2003	10,191	1,019	10	1,019		1,444	2
3	CSI - Repair Drain	2003	1,768	354	5	354		560	3
4	CAPPS - CLEAR BASIN & CLEAN DRAIN	2004	975	65	5	65		65	4
5	CAPPS - POWER RODDED MAIN SEWER	2004	1,720	115	5	115		115	5
6	CSI - WATER HEATER PARTS AND REPAIR	2004	1,760	132	5	132		132	6
7	ABC - REPAIR LEAKY ROOF	2004	3,203	214	5	214		214	7
8	TNS/TERMINX - PEST CONTROL DRVC OF 6 LOCATIONS	2004	2,028	338	5	338		338	8
9	ABC - HVAC WORK/INSULATION	2004	7,090	473	10	473		473	9
10	ABC - WATER HEATER	2004	8,891	741	10	741		741	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 3,186,348	\$ 40,176		\$ 123,271	\$ 83,095	\$ 2,614,636	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		\$ 3,186,348	\$ 40,176		\$ 123,271	\$ 83,095	\$ 2,614,636	1
2									2
3	Related Party-Forum:								3
4	Leasehold Improvement-Remodeling	1980	12,303		15			12,303	4
5	Leasehold Improvement-Remodeling	1980	19,273		20			19,273	5
6	Leasehold Improvement-Tenant Improvement	1987	996		13			996	6
7	Leasehold Improvement-AMS Remodel	1988	14,339		10			14,339	7
8	Leasehold Improvement-Roof	1994	3,572	223	16	223		2,234	8
9	Leasehold Improvement-Build.Improv.	1996	1,259	79	16	79		704	9
10	Leasehold Improvement-Asphalting	2000	98		3			98	10
11	Leasehold Improvement-DAI	2001	172	17	10	17		54	11
12	Leasehold Improvement-Bathrooms	2002	733	82	7	82		181	12
13	Leasehold Improvement-Suite Renovation	2003	1,638	164	10	164		328	13
14	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, etc	2004	1,820	148	7	148		148	14
15	Leasehold Improvement-Add-on Improvement, fixture base	1980	79		23			79	15
16	Leasehold Improvement-Add-on Improvement, lighting base	2001	137	27	5	27		103	16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26	Related Party-AMS:								26
27	Leasehold Improvement-Remodeling	1993	5,938		7			5,938	27
28	Leasehold Improvement-Remodeling	2002	4,861	608	7	608		1,215	28
29	Leasehold Improvement-Remodeling	2003	5,085	775	7	775		1,394	29
30									30
31									31
32									32
33	Forum Extended Care, LLC-building/building improv	1999	13,393	266	30	266		2,041	33
34	TOTAL (lines 1 thru 33)		\$ 3,272,045	\$ 42,565		\$ 125,660	\$ 83,095	\$ 2,676,065	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)								
	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 273,705	\$ 19,329	\$ 19,329	\$	Varies	\$ 130,963	71
72	Current Year Purchases	13,042	2,127	2,127		Varies	2,127	72
73	Fully Depreciated Assets	223,905	4,798	4,798		Varies	223,905	73
74								74
75	TOTALS	\$ 510,652	\$ 26,254	\$ 26,254	\$		\$ 356,995	75

D. Vehicle Depreciation (See instructions.)*									
	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9
76	car engine/bus/van	various/dodge	98-'04	\$ 8,164	\$ 130	\$ 130	\$	3	\$ 7,981
77									77
78									78
79									79
80	TOTALS			\$ 8,164	\$ 130	\$ 130	\$		\$ 7,981

E. Summary of Care-Related Assets					1	2
		Reference			Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)			\$	3,881,441
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)			\$	68,949
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)			\$	152,044
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)			\$	83,095
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)			\$	3,041,041

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)				
	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4
86	N/A	\$	\$	\$
87				
88				
89				
90				
91	TOTALS	\$	\$	\$

G. Construction-in-Progress		
	Description	Cost
92	N/A	\$
93		
94		
95		\$

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Heather Manor
2004 MEDICAID COST REPORT
SCH XI, SECTION C, PAGE 13
LINES 71-75

	<u>PG</u>	<u>2004 CURRENT BOOK DEPR.</u>	<u>2004 ST LINE DEPR.</u>	<u>ADJUSTMENT, IF ANY</u>	<u>12/31/2004 ACCUM. DEPR.</u>
F&F AND EQUIP. NOT FULLY DEPREC.					
<u>ON PRIOR PURCHASES</u>					
Related Party-Ams & Forum	28,323.00	5,811.00	5,811.00	0.00	14,010.00
Related Party-add'l			0.00	0.00	
Computers	1,220.00	406.67	406.67	0.00	474.44
F & F	64,130.33	8,342.39	8,342.39	0.00	44,216.18
Equipment/Maj. Mov.	180,031.31	4,769.22	4,769.22	0.00	72,262.17
Partnership	0.00	0.00	0.00	0.00	0.00
Off book equip./F & F			0.00	0.00	
SUBTOTAL LINE 71	273,704.64	19,329.28	19,329.28	0.00	130,962.79
<u>ON CURRENT PURCHASES</u>					
Related Party-Ams & Forum	2,268.00	734.00	734.00	0.00	734.00
Related Party-add'l			0.00	0.00	
Computers	2,240.00	448.00	448.00	0.00	448.00
F & F	4,647.59	411.21	411.21	0.00	411.21
Equipment/Maj. Mov.	3,886.23	534.17	534.17	0.00	534.17
Partnership	0.00	0.00	0.00	0.00	0.00
Off book equip./F & F			0.00	0.00	
SUBTOTAL LINE 72	13,041.82	2,127.38	2,127.38	0.00	2,127.38
FULLY DEPRECIATED ASSETS					
Related Party-Ams & Forum	47,882.00	1,478.00	1,478.00	0.00	47,882.00
Related Party-add'l			0.00	0.00	
Computers	0.00	0.00	0.00	0.00	0.00
F & F	75,332.27	298.00	298.00	0.00	75,332.27
Equipment/Maj. Mov.	100,690.73	3,022.35	3,022.35	0.00	100,690.73
Partnership	0.00	0.00	0.00	0.00	0.00
Off book equip./F & F			0.00	0.00	
SUBTOTAL LINE 73	223,905.00	4,798.35	4,798.35	0.00	223,905.00
TOTAL LINE 75	510,651.46	26,255.01	26,255.01	0.00	356,995.17
<u>TEST:</u>					
AMOUNTS FROM SPREADSHEETS:	510,651.46	29,232.31	29,232.31	0.00	356,995.17
S/B ZERO	0.00	(2,977.30)	(2,977.30)	0.00	0.00
Related party totals	78,473.00	8,023.00	8,023.00	0.00	62,626.00

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Omega Health Ctre
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions.
- ☒ YES
- ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:		172	10/29/86	\$	10	10	3
4	Additions							4
5								5
6								6
7	TOTAL		172		\$			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease
-
-

9. Option to Buy:
- ☒ YES
- ☐ NO
- Terms: right of first refusal
- *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?
- ☐ YES
- ☒ NO
16. Rental Amount for movable equipment: \$ 4,293
- Description: copy machine

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18	Related partry-AMS		#####	12,523	18
19					19
20					20
21	TOTAL		\$ #####	\$ 12,523	21

10. Effective dates of current rental agreement:

Beginning 11/1/01

Ending 10/31/06

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2005	\$ 509,760
13.	/2006	\$ 424,800
14.		\$

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?

☐ YES

☒ NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

COMMUNITY COLLEGE

HOURS PER AIDE

3. CLINICAL PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

HOURS PER AIDE

Skilled nurses on site

B. EXPENSES

		ALLOCATION OF COSTS		(d)	
		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.

(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.

(c) For in-house training programs only. Do not include fringe benefits.

(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.

(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	1	2	3	4	5	6	7	8		
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 113,686	\$		\$ 113,686	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			12,646			12,646	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			82,771			82,771	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See pg 16A	# of prescrpts				43,612		43,612	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):	See pg 16A				(33,832)	143,076		109,244	13
14	TOTAL			\$		\$ 175,271	\$ 186,688		\$ 361,959	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

Page 16
Col 5: PT,OT, & ST
Col 6: Other
Amount

XIV. SPECIAL SERVICES (Direct Cost)

Service

1. OT	39-3	113,686.26
2. ST	39-3	12,646.16
3.		
4. PT	39-3	82,771.49
5.		
6.		
7.		
8.		
9. Pharmacy		57,639.79
Plus: Related Party- Forum Drugs		(7,923)
Plus: Related Party- Forum I.V.		(6,105)

Total to line 9 Pharmacy		43,611.79

10.		
11.		
12. Exceptional Care-Column 3		0.00
12. Exceptional Care-Column 6		0.00
13. Other Lab,x-ray therapy,Mattress,Pyramid billings		128,522.69
Related Party- Pyramid		(10,356.00)
Related Party- CPT		-33832
Oxygen Cost-IDPA		24909

Total to line 13		109,243.69

14. Total		361,959.39

=====

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 105,000)	766,788		3
4	Supply Inventory (priced at)	1,121		4
5	Short-Term Investments			5
6	Prepaid Insurance	5,046		6
7	Other Prepaid Expenses	1,363		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from 3rd parties	38,529		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 812,847	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	756,714		15
16	Equipment, at Historical Cost	432,178		16
17	Accumulated Depreciation (book methods)	(800,420)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	223,955		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 612,427	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,425,274	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,151,025	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	42,163		28
29	Short-Term Notes Payable	6,970		29
30	Accrued Salaries Payable	238,355		30
31	Accrued Taxes Payable (excluding real estate taxes)	11,737		31
32	Accrued Real Estate Taxes(Sch.IX-B)	34,000		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36				36
37	Due to Affiliates	7,558,460		37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 9,042,710	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	2,484		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 2,484	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 9,045,194	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (7,619,920)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,425,274	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (6,632,087)	1
2	Restatements (describe):		2
3	external audit adjustments made after 2003 cost report	526,512	3
4	was submitted No effect on prior year's report.Real estate		4
5	taxes,Medicare-non allowable.		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (6,105,575)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,514,345)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,514,345)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (7,619,920)	24 *

* This must agree with page 17, line 47.

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.
Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

1			
	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 3,728,032	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 3,728,032	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	38,432	6
7	Oxygen	11,035	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 49,467	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,006	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	(11,233)	19
20	Radiology and X-Ray		20
21	Other Medical Services	21,266	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 11,039	23
	D. Non-Operating Revenue		
24	Contributions	2	24
25	Interest and Other Investment Income***		25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 2	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>vendor settlements,bad debt recoveries</u>	15,319	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 15,319	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 3,803,859	30

2			
	Expenses	Amount	
	A. Operating Expenses		
31	General Services	810,513	31
32	Health Care	1,459,096	32
33	General Administration	1,422,106	33
	B. Capital Expense		
34	Ownership	1,111,218	34
	C. Ancillary Expense		
35	Special Cost Centers	420,294	35
36	Provider Participation Fee	94,977	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 5,318,204	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,514,345)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,514,345)	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? Not yet done If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,865	1,993	\$ 60,934	\$ 30.57	1
2	Assistant Director of Nursing					2
3	Registered Nurses	4,323	4,668	124,275	26.62	3
4	Licensed Practical Nurses	21,836	23,703	530,753	22.39	4
5	Nurse Aides & Orderlies	47,603	51,297	480,434	9.37	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,960	2,080	30,702	14.76	9
10	Activity Assistants	3,313	3,592	29,008	8.08	10
11	Social Service Workers	1,952	2,080	42,577	20.47	11
12	Dietician					12
13	Food Service Supervisor	1,360	1,704	21,520	12.63	13
14	Head Cook	4,207	4,685	46,191	9.86	14
15	Cook Helpers/Assistants	11,058	12,193	104,969	8.61	15
16	Dishwashers					16
17	Maintenance Workers	1,880	2,108	41,602	19.74	17
18	Housekeepers	13,312	14,056	112,617	8.01	18
19	Laundry	5,134	5,784	50,650	8.76	19
20	Administrator	2,080	2,080	61,393	29.52	20
21	Assistant Administrator					21
22	Other Administrative	2,920	3,440	67,441	19.60	22
23	Office Manager					23
24	Clerical	4,645	4,994	52,221	10.46	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,016	2,080	42,043	20.21	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	131,464	142,537	\$ 1,899,330 *	\$ 13.33	34

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 6,200	1-3	35
36	Medical Director	Monthly	8,350	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	4,152	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	50	2,684	11-3	44
45	Social Service Consultant	17	896	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	67	\$ 22,282		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$ N/A		50
51	Licensed Practical Nurses				51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		\$		53

* This total must agree with page 4, column 1, line 45.

** See instructions.

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount		Description	Amount
			\$	Workers' Compensation Insurance	\$	41,525	IDPH License Fee	\$
				Unemployment Compensation Insurance		48,783	Advertising: Employee Recruitment	639
Daniel Johnson	Administrator	0	61,393	FICA Taxes		142,003	Health Care Worker Background Check	413
				Employee Health Insurance		21,582	(Indicate # of checks performed)	
				Employee Meals		22,555		
				Illinois Municipal Retirement Fund (IMRF)*			Surety Bond	1,160
				Union Health & Welfare		43,420	Il health Care Assoc.	7,233
				Dental,Life and pension		9,287	Misc dues/subs	444
				Relations/Misc		2,660	Related Party	300
TOTAL (agree to Schedule V, line 17, col. 1)				Drug test,401K match,vaccinations		2,188		
(List each licensed administrator separately.)			\$ 61,393	Marketing Mgr. Benefits		(5,378)		
B. Administrative - Other							Less: Public Relations Expense	()
Description			Amount				Non-allowable advertising	()
			\$				Yellow page advertising	()
TOTAL (agree to Schedule V, line 17, col. 3)			\$	TOTAL (agree to Schedule V, line 22, col.8)	\$	328,625	TOTAL (agree to Sch. V, line 20, col. 8)	
(Attach a copy of any management service agreement)							\$ 10,189	
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description	Amount
AMS	Management Fee		\$ 483,600			\$	Out-of-State Travel	\$
BDO Seidman	Accounting Fees		10,544					
Ken Fisch	Legal Fees		24,698					
Barry Greenberg	Legal Fees		4,131				In-State Travel	
Med com	Billing consultants		661				gas/misc expense	417
							Seminar Expense	
							Related Party	7,461
							Entertainment Expense	()
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL		\$	(agree to Sch. V, line 24, col. 8)	
(If total legal fees exceed \$2500 attach copy of invoices.)			\$ 523,634				TOTAL	\$ 7,878

* Attach copy of IMRF notifications

**See instructions.

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
1	Repair boiler	1991	\$ 5,878	5	\$	\$	\$	\$	\$	\$	\$	\$	\$
2	A/C compressor	1992	8,561	5-15	180	180	180	180	180	180	120		
3	Fan/Misc. HVAC	1993	32,328	3-10	360	360	90	1	0				
4	Painting/HVAC	1995	32,616	3-15	513	513	513	513	513	513	513	513	
5	Painting/HVAC	1996	38,397	3-15	1,066	831	831	831	831	676	494	494	
6	Repair boiler	1/97	2,242	3	0								
7	Repair Exhaust pipe	2/97	1,583	3	0								
8	Replace mixing val.	3/97	1,850	3	0								
9	Repair hot water tank	12/97	5,170	3	0								
10	Replace heat exchange	10/97	2,287	3	0								
11	Repair hot water pipes	3/99	3,038	3	1,013	169							
12	Sump pump repair	8/99	3,450	3	1,150	671							
13	Painting>1500	7/99	11,105	3	3,702	1,851							
14	ABC-construction/maint	6/00	1,907	3	636	636	265						
15	GT Mechan-water storage	6/00	3,088	3	1,029	1,029	430						
16	ABC - wall deco/paint	9/00	13,642	3	4,547	4,547	3,033						
17	Painting >1500	7/00	9,031	3	3,010	3,010	1,506						
18	GT Mechan-circ pump	2/01	1,604	3	490	535	535	44					
19	CSI Corker Ser.	8/01	3,568	3	495	1,189	1,189	695					
20	TOTALS		\$ 181,345		\$ 18,191	\$ 15,521	\$ 8,572	\$ 2,264	\$ 1,524	\$ 1,369	\$ 1,127	\$ 1,007	\$

XX. GENERAL INFORMATION:

- (1)

Are nursing employees (RN,LPN,NA) represented by a union?

Yes
- (2)

Are there any dues to nursing home associations included on the cost report?
If YES, give association name and amount.

Ill Health Care Assoc.\$9,342
- (3)

Did the nursing home make political contributions or payments to a political action organization?
If YES, have these costs been properly adjusted out of the cost report?

Yes
Yes
- (4)

Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year?
If YES, what is the capacity?

No
- (5)

Have you properly capitalized all major repairs and equipment purchases?
What was the average life used for new equipment added during this period?

Yes
10 yrs.
- (6)

Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V.

\$ 8,151 Line 10
- (7)

Have all costs reported on this form been determined using accounting procedures consistent with prior reports?
If NO, attach a complete explanation.

Yes
- (8)

Are you presently operating under a sale and leaseback arrangement?
If YES, give effective date of lease.

Yes
10/29/86
- (9)

Are you presently operating under a sublease agreement?

YES X NO
- (10)

Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)?
If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

YES NO X
- (11)

Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period.
This amount is to be recorded on line 42 of Schedule V.

\$ 94,977
- (12)

Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee?
If YES, attach an explanation of the allocation.

No

- (13)

Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V?

Yes
- (14)

Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B?
For example, is a portion of the building used for rental, a pharmacy, day care, etc.)
If YES, attach a schedule which explains how all related costs were allocated to these functions.

No
- (15)

Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V.
Has any meal income been offset against related costs?

\$ 22,555
No

Indicate the amount. \$ N/A
- (16)

Travel and Transportation

a.

Are there costs included for out-of-state travel?
If YES, attach a complete explanation.

No

b.

Do you have a separate contract with the Department to provide medical transportation for residents?
If YES, please indicate the amount of income earned from such a program during this reporting period.

No

c.

What percent of all travel expense relates to transportation of nurses and patients?

0

d.

Have vehicle usage logs been maintained?

Yes

e.

Are all vehicles stored at the nursing home during the night and all other times when not in use?

Yes

f.

Has the cost for commuting or other personal use of autos been adjusted out of the cost report?

Yes

g.

Does the facility transport residents to and from day training?
Indicate the amount of income earned from providing such transportation during this reporting period.

No

(17)

Has an audit been performed by an independent certified public accounting firm?
Firm Name:
The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached?

Yes
BDO Seidman
No

Not yet completed

(18)

Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V?

Yes

(19)

If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report?
Attach invoices and a summary of services for all architect and appraisal fees.

Yes

From Line	To Line	Amount	Description
2		(22,555)	Employee Meal
	22	22,555	Employee Meal
22		(7,136)	Uniforms
	10	4,879	Uniforms
	6	93	Uniforms
	4	223	Uniforms
	1	847	Uniforms
	3	798	Uniforms
	11	0	Uniforms
	21	296	Uniforms
		<u>0</u>	Net should be 0